

MEMORANDUM FOR: Legislative Counsel

SUBJECT: Proposed Pay Increase Legislation

- REFERENCES:
- a. H.R. 4820, To adjust the rates of basic compensation of certain officers and employees of the Federal Government; to authorize the President to establish the maximum number of positions under section 505 of the Classification Act, and for other purposes. (Federal Employees Pay Act of 1955)
 - b. H.R. 4688, To increase the rates of compensation of certain officers and employees of the Federal Government. (Federal Employees Pay Act of 1955)
 - c. S. 67 (and Report No. 58), To adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes.
 - d. H.R. 74, To provide increases in the rates of basic compensation of officers and employees of the Federal Government, and for other purposes. (Federal Employees Salary Increase Act of 1955)

1. In accordance with your request, we have reviewed the referenced pay increase proposals in relation to their applicability to Agency employees. In their current form, neither H.R. 4820, which you have identified as the Administration's proposal, nor H.R. 4688 include an explicit provision to cover employees of this Agency. However, the higher rates established for the General and CPC Schedules may be adopted by administrative action of the Director if either Bill is enacted. However, if a retroactive feature is subsequently included, as proposed in S.67, we believe language similar to that of section 9(c) (line 5 on page 23) should be included to ensure authorization for similar retroactive increases to employees of this Agency.

2. Since the Administration's position with respect to the amount of any salary increase has been announced, we have not undertaken to comment with respect to the different increases proposed. It is noted, on page 7 under "Cost" of Report No. 58, concerning S. 67, that consideration is

Retroactive feature being taken care of

being given to requiring absorption by the various agencies of one-third of the additional cost of any pay increase. This point may be of interest to the Comptroller.

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HG Harrison G. Reynolds
Director of Personnel